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Attorney's Docket No. 45676P001

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application for:

Steven R. Mitchell ✓

Serial No. 09/528,466 ✓

Filed: March 17, 2000

For: A PURCHASE COORDINATOR FOR
ELECTRONIC COMMERCE ✓

Examiner: Robert M. Pond

Art Unit: 3625

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DECLARATION PURSUANT TO 37 C.F.R. § 1.131

Assistant Commissioner for Patents
Washington, D.C. 20231

Dear Sir:

I, Steven R. Mitchell, hereby declare that:

1. I am a citizen of the United States of America.
2. I currently reside at 401 Nineteenth Street, Manhattan Beach, California 90266.
3. I am the inventor of the subject matter of the above-identified patent application.
4. I have reviewed U.S. Patent No. 6,263,317 B1 issued to Sharp et al (the "Sharp" patent) which was filed on December 1, 1998. The Examiner has cited the Sharp patent against the claims of the above-identified application.

5. The present invention disclosed and claimed in the above-identified patent application including the elements of the claims was conceived prior to December 1, 1998, the date of Sharp. The reception of an order for a product, the processing of a monetary transaction such that the manufacturer and the retailer are each credited with a proportionate sum and the retaining of a commission as claimed in the independent claims of the present invention were

conceived at least as early as November 1, 1998 as evidenced by a design document including a flowchart describing the ordering of a product by a customer, payment of the manufacturer, distributor, retailer and internet company, and retention of an internet commission ("Document A"). The directory demonstrating the last modified date of the flowchart file, November 1, 1998, is presented as "Document B." The elements of the claims relating to the obtainment of pricing data from a group of retailers, distributors and manufacturers, and selection of a distributor to fill an order is evidenced by the Little Miss Liberty Website, which includes pricing data from the manufacturer and a list of available vendors from which to select for ordering a product. The Little Miss Liberty Website was developed as a specific implementation of the invention. The elements of the claims are evidenced in a functional Little Miss Liberty website shown in a set of screenshots including a screenshot of the file directory indicating the files of the website were last modified in September of 1998 ("Document C"). *New*

6. Between its conception and its constructive reduction to practice by the filing of the above-identified patent application on March 17, 2000, I engaged in and directed development of the invention in a diligent effort to reduce the invention to practice. Because the development of the invention was not undertaken in the course of my employment, development occurred during my available free time.

7. My diligent effort to reduce the invention to practice began prior to the filing date of Sharp. An initial implementation with the primary function of sorting database files was *New* implemented in Hypercard in August of 1998 as evidenced by the screenshots of "Document D." This implementation offered inadequate speed and scalability. The invention was subsequently converted to an Oracle database starting in August 1998 to provide the needed speed and scalability. During the conversion to Oracle, files were transferred to a Sun Sparc 5 computer named Matthew by a file transfer protocol application. Logs of the transferred files dated November 9, 1998, are presented as representative of the development of the invention at the time of transfer ("Document E"). ✓

Work on the invention progressed as demonstrated by the updated Oracle database scripts dated January 10, 1999 ("Document F") and the Oracle Database access logs from Matthew ranging from November 19, 1998 until July 24, 1999 ("Document G"). Development subsequent to January 5, 1999 transitioned to primarily use a new Sun Sparc Ultra 5 computer. The new Sun

Sparc Ultra 5 was obtained and utilized because Matthew was being used for other services such as providing email and as a result was inadequate as a platform for developing the invention which would have improved performance on a dedicated machine.

The actual programming of the invention was temporally halted due to the loss of access to the Sun Sparc Ultra 5 computer onto which primary development had been transferred. The loss of access began after May 25, 1999, and continued during subsequent litigation related to its disposition. This is documented in the attached Declaration of Howard I. Grapek dated October 2, 1999, ("Document H") in which Mr. Grapek states that the Sun Sparc Ultra 5 computer used for the development of the invention was shipped to me and subsequently he acted with Jean Kasem to hide the location of this computer from me. See Document H, paragraphs 5, 6 and 24-25. The programming was halted due to the loss of the working code and data and in the expectation that the computer would be retrieved. Continued programming without the computer was not possible as it contained the only working copy of the invention at that stage of development. Starting anew would have been a severe hardship on me due to the large amount of code and data that would have to be recreated. Such a recreation would have been unnecessary if the new Sun Sparc Ultra 5 computer were returned.

My diligence in reducing the invention to practice was primarily directed after this time to the recovery of the Sun Sparc Ultra 5 computer which I believed was the most efficient way to continue development. My diligence is evidenced by my correspondence prior to the start of litigation. A Letter to Jean Kasem dated June 16, 1999, ("Document J") clarifies that the Sparc Ultra 5 computer mentioned contained the code and data of the invention referred to in the Letter as the asset "getting ready for market." This also demonstrates the advanced degree of the development process. See Document J, page 1, paragraph 3. The development of the invention on the Sun Sparc Ultra 5 was improved in terms of speed and scalability over previous implementations. Further, the scope of the project at the time I lost access to it is attested to in a deposition of Howard I. Grapek taken on May 8, 2001, in relation to the above-mentioned litigation ("Document K") wherein he states that I installed a database with many hundreds of tables. This installation occurred on about January 5, 1999. See Document K, page 298 lines 6-23 and page 303 lines 4-19. Also see Document K, page 301 line 30-page 302 line 5 regarding the transfer of code from Matthew to the Sun Sparc Ultra 5. The Sun Sparc Ultra 5 computer

contained the only complete copy of the data and code related to the invention on May 25, 1999. In addition to the attempts to recover the Sun Sparc Ultra 5, I attempted to document the data structures of the implementation of the invention that was lost from my memory in an attempt to continue the planning of the development of the invention. This is evidenced by a set of table schema documents that were started in June of 1999 and that were completed in January of 2000, an exemplary one of which is presented as "Document L". The Sun Sparc Ultra 5 computer was out of my possession and inaccessible between May 25, 1999 and the date of filing of the application March 17, 2000.

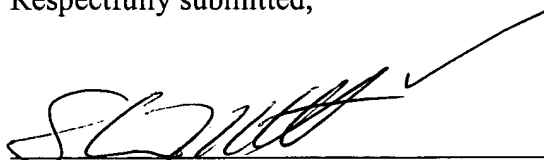
7. The claimed invention was constructively reduced to practice by the filing of the above referenced patent application on March 17, 2000. I met with a patent attorney at least as early as January 25, 2000 to start work on the patent application. See dated Attorney's notes ("Document M").

8. Therefore, conception occurred prior to the date of filing of Sharp and diligence towards reduction to practice of the invention disclosed and claimed in the above-identified patent application began prior to the earliest priority date of the Sharp patent and continued to the filing of the above-identified patent application.

9. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the above-identified application or any patent issued thereon.

Respectfully submitted,

Dated: 9/25/03



Steven R. Mitchell